LRBa0420

2003 DRAFTING REQUEST

Assembly Amendment (AA-AB89)

Received: **04/04/2003**   Received By: **jkreye**

Wanted: **As time permits**   Identical to LRB:

For: **Michael Lehman (608) 267-2367**   By/Representing: **Bob Conlin**

This file may be shown to any legislator: **NO**   Drafter: **jkreye**

May Contact: Addl. Drafters:

Subject: **Tax - property**   Extra Copies: **Bob Conlin - LC**

Submit via email: **YES**

Requester's email: **Rep.LehmanM@legis.state.wi.us**

Carbon copy (CC:) to: **joseph.kreye@legis.state.wi.us**

Pre Topic:

No specific pre topic given

Topic:

Municipalities that may make refund installment payments related to manufacturing property

---

Instructions:

See Attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/1	jkreye 04/04/2003	wjackson 04/04/2003	chaskett 04/04/2003	_____ _____	sbasford 04/04/2003	sbasford 04/04/2003	

FE Sent For:

<END>

2003 DRAFTING REQUEST

Assembly Amendment (AA-AB89)

Received: **04/04/2003**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Michael Lehman (608) 267-2367**

By/Representing: **Bob Conlin**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax - property**

Extra Copies: **Bob Conlin - LC**

Submit via email: **YES**

Requester's email: **Rep.LehmanM@legis.state.wi.us**

Carbon copy (CC:) to: **joseph.kreye@legis.state.wi.us**

Pre Topic:

No specific pre topic given

Topic:

Municipalities that may make refund installment payments related to manufacturing property

Instructions:

See Attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/1	jkreye	/1 WLj 4/4	/1 cph 4/4	self cph			

FE Sent For:

<END>

AB89   1042/1   Bob Conlin   6-22-98

2 amendments   —   for exec on 4-16

(1) DOR ⟶ p 3, line 21 amend "by the state"

(2) some cities not able to make installment payments

▷ 3 or more refunds in a calendar year
each exceeding $10,000

for Mikey Lehman,
     copy Bob Conlin

2003 ASSEMBLY BILL 89

February 20, 2003 – Introduced by Representatives M. LEHMAN, JESKEWITZ, W. WOOD, OLSEN, GIELOW, J. LEHMAN, GROTHMAN, SERATTI, TOWNSEND, ZIEGELBAUER, HAHN, F. LASEE, KRAWCZYK, LADWIG and COLON, cosponsored by Senators KANAVAS and A. LASEE. Referred to Committee on Ways and Means.

1 AN ACT *to amend* 70.511 (2) (b), 74.35 (3) (c) and 74.37 (3) (c); and *to create*

2 20.835 (2) (bm), 70.511 (2) (bm), 70.511 (2) (br), 74.35 (3) (cm) and 74.37 (3) (cm)

3 of the statutes; **relating to:** installment payments of refunds of taxes on

4 manufacturing property, the interest on refunded and additional taxes on

5 manufacturing property, and making an appropriation.

Analysis by the Legislative Reference Bureau

The Department of Revenue (DOR) currently assesses manufacturing property for property taxes. DOR determines what property is classified as manufacturing property for property tax purposes. If a reviewing authority for property assessments reduces a manufacturing property's assessed value or determines that manufacturing property is exempt from property tax, an affected taxpayer may file a claim with the municipality for a property tax refund. The municipality pays the refund to the taxpayer in one sum that includes interest on the refund amount, paid at the rate of 0.8% per month.

Under the bill, a municipality may pay a property tax refund to an owner of manufacturing property in five annual installments rather than all at once, and the interest on the refund amount is paid either at a rate of ten percent a year or at a rate determined by the last auction of six–month U.S. treasury bills, whichever is less.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1   SECTION 1. 20.835 (2) (bm) of the statutes is created to read:

2   20.835 **(2)** (bm) *Payments of interest on overassessments of manufacturing*

3 *property.* A sum sufficient to make the payments under s. 70.511 (2) (br).

4   SECTION 2. 70.511 (2) (b) of the statutes is amended to read:

5   70.511 **(2)** (b) If the reviewing authority reduces the value of the property in

6 question, or determines that manufacturing property is exempt, the taxpayer may

7 file a claim for refund of taxes resulting from the reduction in value or determination

8 that the property is exempt. ~~If~~ Except as provided in par. (bm), if a claim for refund

9 is filed with the clerk of the municipality on or before the November 1 following the

10 decision of the reviewing authority, the claim shall be payable to the taxpayer from

11 the municipality no later than January 31 of the succeeding year. ~~A~~ Except as

12 provided in par. (bm), a claim filed after November 1 shall be paid to the taxpayer by

13 the municipality no later than the 2nd January 31 after the claim is filed. Interest

14 on the claim at the rate of 0.8% per month; or for property assessed under s. 70.995

15 at the average annual discount interest rate determined by the last auction of

16 6–month U.S. treasury bills before the appeal or objection is filed or 10% per year,

17 whichever is less; shall be paid to the taxpayer when the claim is paid. If the taxpayer

18 requests a postponement of proceedings before the reviewing authority, interest on

19 the claim shall permanently stop accruing at the date of the request. If the hearing

20 is postponed at the request of the taxpayer, the reviewing authority shall hold a

21 hearing on the appeal within 30 days after the postponement is requested unless the

1   taxpayer agrees to a longer delay. If the reviewing authority postpones the hearing

2   without a request by the taxpayer, interest on the claim shall continue to accrue. No

3   interest may be paid if the reviewing authority determines under s. 70.995 (8) (a) that

4   the value of the property was reduced because the taxpayer supplied false or

5   incomplete information. If taxes are refunded, the municipality may proceed under

6   s. 74.41.

7   SECTION 3. 70.511 (2) (bm) of the statutes is created to read:

8   70.511 (2) (bm) A municipality may pay a refund under par. (b) of the taxes on

9   property that is assessed under s. 70.995 in 5 annual installments, each of which

10   except the last is equal to at least 20% of the sum of the refund and the interest on

11   the refund that is due, beginning on the date under par. (b), if all of the following

12   conditions exist:

13   1. The municipality's property tax levy for its general operations for the year

14   for which the taxes to be refunded are due is less than $100,000,000.

15   2. The refund is at least 0.0025 of the municipality's levy for its general

16   operations for the year for which the taxes to be refunded are due.

17   3. The refund is more than $10,000.

18   SECTION 4. 70.511 (2) (br) of the statutes is created to read:

19   70.511 (2) (br) From the appropriation under s. 20.835 (2) (bm), the department

20   of administration shall pay to each municipality that pays a refund under par. (b) for

21   property that is assessed under s. 70.995 or that pays a refund under par. (bm) an

22   amount equal to the interest that is paid by the municipality in the previous

23   biennium and that has accrued up to the date of the determination by the tax appeals

24   commission of the municipality's obligation.

25   SECTION 5. 74.35 (3) (c) of the statutes is amended to read:

1   74.35 **(3)** (c) If the governing body of the taxation district determines that an

2   unlawful tax has been paid and that the claim for recovery of the unlawful tax has

3   complied with all legal requirements, the governing body shall allow the claim. ~~The~~

4   Except as provided in par. (cm), the taxation district treasurer shall pay the claim

5   not later than 90 days after the claim is allowed.

6   SECTION 6. 74.35 (3) (cm) of the statutes is created to read:

7   74.35 **(3)** (cm) A municipality may pay a refund under par. (c) of the taxes on

8   property that is assessed under s. 70.995 in 5 annual installments, each of which

9   except the last is equal to at least 20% of the sum of the refund and the interest on

10   the refund, beginning in the year of the determination, if all of the following

11   conditions exist:

12   1. The municipality's property tax levy for its general operations for the year

13   for which the taxes to be refunded are due is less than $100,000,000.

14   2. The refund is at least 0.0025 of the municipality's levy for its general

15   operations for the year for which the taxes to be refunded are due.

16   3. The refund is more than $10,000.

17   SECTION 7. 74.37 (3) (c) of the statutes is amended to read:

18   74.37 **(3)** (c) If the governing body of the taxation district or county that has a

19   county assessor system determines that a tax has been paid which was based on an

20   excessive assessment, and that the claim for an excessive assessment has complied

21   with all legal requirements, the governing body shall allow the claim. ~~The~~ Except

22   as provided in par. (cm), the taxation district or county treasurer shall pay the claim

23   not later than 90 days after the claim is allowed.

24   SECTION 8. 74.37 (3) (cm) of the statutes is created to read:

1   74.37 **(3)** (cm) A municipality may pay a refund under par. (c) of the taxes on

2 property that is assessed under s. 70.995 in 5 annual installments, each of which

3 except the last is equal to at least 20% of the sum of the refund and interest on the

4 refund, beginning in the year of the determination, if all of the following conditions

5 exist:

6   1. The municipality's property tax levy for its general operations for the year

7 for which the taxes to be refunded are due is less than $100,000,000.

8   2. The refund is at least 0.0025 of the municipality's levy for its general

9 operations for the year for which the taxes to be refunded are due.

10   3. The refund is more than $10,000.

11 **SECTION 9. Initial applicability.**

12   (1) REFUNDS. The treatment of sections 70.511 (2) (b), (bm), and (br), 74.35 (3)

13 (c) and (cm) and 74.37 (3) (c) and (cm) of the statutes first applies to refunds of taxes

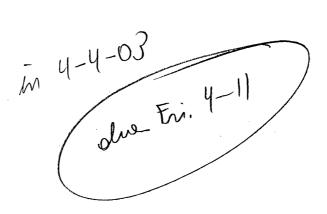14 that were collected based on the assessment as of January 1, 2003.

15   **(END)**

ASSEMBLY AMENDMENT ,

TO 2003 ASSEMBLY BILL 89 *(attached)*

In 4-4-03

due Fri. 4-11

1   At the locations indicated, amend the bill as follows:

2   **1.** Page 3, line 8: delete "A municipality" and substitute "Except as provided

3   in par. (bn), a municipality".

4   **2.** Page 3, line 17: after that line insert:

5   "**SECTION 3m.** 70.511 (2) (bn) of the statutes is created to read:

6   70.511 **(2)** (bn) A municipality that does not satisfy the conditions for paying

7   installments under par. (bm), may pay a refund under par. (b) of the taxes on property

8   that is assessed under s. 70.995 in 5 annual installments, as provided in par. (bm)

9   (intro.), if the municipality is required to pay 3 or more refunds under par. (b) in the

10   same calendar year and if each such refund exceeds $10,000.".

11   **3.** Page 3, line 21: after "(bm)" insert "or (bn)".

12   **4.** Page 4, line 4: delete "par. (cm)" and substitute "pars. (cm) and (cn)".

1   **5.** Page 4, line 7: delete "A municipality" and substitute "Except as provided

2   in par. (cn), a municipality".

3   **6.** Page 4, line 16: after that line insert:

4   "**SECTION 6m.** 74.35 (3) (cn) of the statutes is created to read:

5   74.35 **(3)** (cn) A municipality that does not satisfy the conditions for paying

6   installments under par. (cm), may pay a refund under par. (c) of the taxes on property

7   that is assessed under s. 70.995 in 5 annual installments, as provided in par. (cm)

8   (intro.), if the municipality is required to pay 3 or more refunds under par. (c) in the

9   same calendar year and if each such refund exceeds $10,000.".

10   **7.** Page 4, line 22: delete "par. (cm)" and substitute "pars. (cm) and (cn)".

11   **8.** Page 5, line 1: delete "A municipality" and substitute "Except as provided

12   in par. (cn), a municipality".

13   **9.** Page 5, line 10: after that line insert:

14   "**SECTION 8m.** 74.37 (3) (cn) of the statutes is created to read:

15   74.37 **(3)** (cn) A municipality that does not satisfy the conditions for paying

16   installments under par. (cm), may pay a refund under par. (c) of the taxes on property

17   that is assessed under s. 70.995 in 5 annual installments, as provided in par. (cm)

18   (intro.), if the municipality is required to pay 3 or more refunds under par. (c) in the

19   same calendar year and if each such refund exceeds $10,000.".

20   **10.** Page 5, line 12: after "(bm)," insert "(bn),".

21   **11.** Page 5, line 13: delete that line and substitute "(c), (cm), and (cn), and
     (3)
22   74.37 (c), (cm), and (cn) of the statutes first applies to refunds of taxes"

23   **(END)**